

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Advanced TelCom, Inc. dba
Advanced TelCom Group (U-6083-C) for
Authority to Withdraw the Provision of
Telecommunications Services in the Bishop
Ranch, Concord, Danville, Dublin, Livermore,
Pleasanton, Walnut Creek, Corte Madera,
Ignacio, Mill Valley, Novato, San Rafael, Napa,
Sausalito, Calistoga, St. Helena,
Belvedere/Tiburon, and Yountville Areas of
California.

Application 02-05-020
(Filed May 9, 2000)

**OPINION AUTHORIZING PARTIAL
WITHDRAWAL FROM SERVICE****1. Summary**

This decision authorizes Advanced TelCom, Inc. dba Advanced TelCom Group (Applicant) to withdraw from the provision of local exchange and interexchange services in the Bishop Ranch, Concord, Danville, Dublin, Livermore, Pleasanton, Walnut Creek, Corte Madera, Ignacio, Mill Valley, Novato, San Rafael, Napa, Sausalito, Calistoga, St. Helena, Belvedere/Tiburon, and Yountville areas (affected areas). Customers will be transferred to their choice of carrier. Local exchange customers who do not indicate a choice will be transferred to the underlying carrier. Applicant will continue to offer services in other areas.

2. Background

Applicant, a Delaware corporation, is authorized to operate in California as a local exchange and interexchange carrier (U-6083-C).¹

Applicant has provided local exchange service since 1999. It has approximately 1,969 business customers in the affected areas. It has no residential customers in California. Applicant plans to continue providing service in Sonoma County.

3. Procedural Matters

In Resolution ALJ 176-3088 dated May 16, 2002, the Commission preliminarily categorized this application as ratesetting, and preliminarily determined that hearings were not necessary. By an administrative law judge (ALJ) ruling on May 17, 2002, the protest period was shortened to May 30, 2002. This was done in response to the applicant's demonstration of need for an expeditious decision on this matter resulting from applicants pending bankruptcy petition and deteriorating financial condition. No protests have been received. There is no apparent reason why the application should not be granted. Given these developments, a public hearing is not necessary, and it is not necessary to disturb the preliminary determinations.

4. The Application

On May 2, 2002, Applicant filed for bankruptcy under Chapter 11 of the United States Bankruptcy Code in the Santa Rosa Division of the U.S. Bankruptcy Court for the Northern District of California.

¹ Applicant was authorized to provide limited facilities-based interexchange services and local exchange services by Decision (D.) 98-11-032 and D.98-12-083, respectively.

Applicant proposes to discontinue services in the affected areas. These were the last areas to be developed by Applicant in California. Therefore, they are less developed than its other areas. Since its services are primarily facilities-based, the cost of keeping the facilities operating cannot be sustained in these areas. However, Applicant intends to continue providing services to its other customers while it looks for a purchaser of its California operations.

Applicant proposes to transfer its customers to their carriers of choice. Local exchange customers who do not indicate a choice will be transferred to the underlying carrier, Pacific Bell Telephone Company (Pacific) or Verizon California Inc. (Verizon).² Interexchange customers who do not indicate a choice will have their service terminated.

Applicant states that its customers will be given written notice of the transfer, consistent with the Commission's notice requirements.

5. Discussion

Competitive local carriers such as applicant are typically not the carrier of last resort for their customers. Therefore, the Commission's primary concern is that customers receive proper notice of the withdrawal from service. The same is true for interexchange carriers. Notice requirements were developed in D.97-06-096 for advice letter filings for customer transfers. The requirements are useful as a guide in this proceeding. They are as follows:

1. "The notice must be in writing;"
2. The carrier must provide it to customers no later than 30 days before the proposed transfer;"

² Pacific is the underlying carrier in the affected areas, except for Novato where Verizon is the underlying carrier.

3. The notice must contain a straightforward description of the transfer, any fees the customer will be expected to pay, a statement of the customer's right to switch to another carrier, and a toll-free number for questions; and
4. The notice and the carrier's description of service to customers must be included in the advice letter."

Applicant provided a copy of the proposed notice with the application. Subsequently, it worked with the Commission's Public Advisor's Office (PAO) to ensure that its notice met the Commission's requirements. The notice was approved by the PAO, and was sent at least 30 days before the proposed service termination date. Therefore, the Commission's notice requirements are satisfied.

Granting this application is not adverse to the public interest because the affected customers can obtain service from other carriers. Accordingly, the application should be granted.

6. Comments on the Proposed Decision

This is an uncontested matter, in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code Section 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

Findings of Fact

1. The application appeared in the Daily Calendar on May 14, 2002.
2. The protest period was shortened by ALJ ruling to May 30, 2002.
3. No protests have been filed.
4. Applicant is authorized to provide local exchange and interexchange services in California.
5. The notice requirements in D.97-06-096 are useful as a guide in this proceeding.

6. Applicant's notice satisfies the Commission's notice requirements.

Conclusions of Law

1. A hearing is not necessary.
2. Granting this application is not adverse to the public interest.
3. The application should be granted.
4. This order should be made effective immediately, so that the withdrawal can be implemented as soon as possible.

O R D E R

IT IS ORDERED that:

1. The application of Advanced TelCom, Inc. dba Advanced TelCom Group (Applicant) to withdraw from the provision of local exchange and interexchange services in the Bishop Ranch, Concord, Danville, Dublin, Livermore, Pleasanton, Walnut Creek, Corte Madera, Ignacio, Mill Valley, Novato, San Rafael, Napa, Sausalito, Calistoga, St. Helena, Belvedere/Tiburon, and Yountville areas is approved subject to the following conditions.
2. Applicant shall transfer its customers to their carriers of choice. Local exchange customers who do not indicate a choice shall be transferred to the underlying carrier, provided that they satisfy said carrier's criteria for service.
3. Applicant shall not terminate service to any customer until 30 days after notice has been mailed to the customer, or the effective date of this decision, whichever is later.
4. Applicant shall notify the Director of the Commission's Telecommunications Division in writing of the date service is terminated to the affected areas, within 10 days after termination.

5. The authority granted in this order shall expire if not exercised within 12 months after the effective date of this order.

6. This application is closed.

This order is effective today.

Dated _____, at San Francisco, California.